

POLICY COMMITTEE MEETING MINUTES - 11 JULY 2022

Present: Councillor Brock (Chair);

Councillors Page (Vice-Chair), Barnett-Ward, Emberson, Ennis, Hoskin, Leng, McElroy, McEwan, Mitchell, Robinson, Rowland, Terry, Thompson and White

10. MINUTES

The Minutes of the meeting held on 13 June 2022 were agreed as a correct record and signed by the Chair.

11. QUESTIONS

Questions on the following matters were submitted by Councillors:

	<u>Questioner</u>	<u>Subject</u>	<u>Reply</u>
1.	Cllr White	Electric Charging Infrastructure	Cllr Page
2.	Cllr White	Tackling Fly-Tipping with Free Bulky Waste Collection	Cllr Rowland

(The full text of the questions and responses was made available on the Reading Borough Council website).

12. DEPARTMENT FOR LEVELLING UP, HOUSING AND COMMUNITIES FUNDING PROGRAMMES

The Executive Director of Economic Growth and Neighbourhood Services submitted a report setting out the action being taken by the Council to take advantage of three funding streams recently announced by the Government to support its Levelling Up agenda. Attached to the report at Appendix 1 was a summary of the key aims and 'missions' of the Levelling Up White Paper.

The report explained that the £2.6 billion UK Shared Prosperity Fund (UKSPF) replaced EU Structural Funds and aimed to build 'pride in place' and improve life chances. The Council had received a conditional £1 million core funding allocation for the three years commencing 2022/23, subject to Department for Levelling Up, Housing and Communities (DLUHC) sign-off on an Investment Plan to be prepared by the Council by the deadline of 1 August 2022. The Council was engaging local partners in the development of the Investment Plan, which would explore interventions that promoted collaboration at a pan-Berkshire level, that supported businesses and community enterprises in Reading to achieve their potential with a focus on creative industries, that prepared people for work through training, development and upskilling with a particular focus on those furthest from the labour market and more deprived neighbourhoods, and that provided match support to other funding initiatives such as Levelling Up Fund Round 2.

POLICY COMMITTEE MEETING MINUTES - 11 JULY 2022

The report explained that Multiply was a ring-fenced part of UKSPF which is being made available to deliver adult numeracy programmes. The Council had received a conditional £711,702 funding allocation (additional to the UKSPF core funding of £1m) for the three years commencing 2022/23, subject to Department for Education sign-off on an Investment Plan which had been submitted by the Council by the deadline of 30 June 2022.

The report noted that a second competitive round of bidding for the Levelling Up Fund had been launched, with themes of transport investments, regeneration and town centre investment and cultural investment. The deadline for bids had been 6 July 2022 and the Council had submitted bids in relation to Minster Quarter regeneration (Minute 13 below refers) and a package of sustainable transport projects.

The report explained that the bid 'Heart of Reading - Culture and Community at Minster Quarter' would focus on the cultural regeneration of the Minster Quarter and Bridge Street area, and would invest in the enhancement of the cultural offer at the Hexagon Theatre and a new library, discovery and learning provision in an accessible and central location. The report noted the wider redevelopment of the Minster Quarter, which was the subject of a separate report (Minute 13 below refers) and summarised match funding opportunities from the Council's low carbon capital investment programme and library capital programme budget. A bid had been developed and submitted by the deadline using a delegation made by the Committee at its meeting on 13 June 2021 (minute 5 refers) which had authorised the Chief Executive, in consultation with the Chief Financial Officer and the Leader and Deputy Leader of the Council, to submit bids for funding streams relevant to the Minster Quarter, including The Levelling Up Fund.

The report explained that a second bid for a package of sustainable transport investment had also been submitted. The bid included a package of sustainable travel interventions, focused on improving access to employment, education and leisure opportunities for residents living in areas of higher deprivation to the south and west of the Borough. The package included enhanced active travel links (walking and cycling facilities), linking residential and employment areas in south Reading and providing onward travel options through better access to South Reading Mass Rapid Transit (MRT) services. These new active travel links would be complemented with a package of traffic signal upgrades including enhanced pedestrian crossing facilities, and essential bridge strengthening works to ensure vital links connecting areas of higher deprivation with the town centre remained open. The final element of the package was the next phase of the South Reading MRT scheme, which included provision of an outbound bus lane on the A33 over the River Kennet bridge, providing a continuous bus priority route. The bid was for £18m capital grant funding, with a £2m local match contribution provided by the Council from the approved capital programme for phases 4 and 5 of the South Reading MRT Scheme.

Resolved -

- (1) That the proposed approach to development of Reading's Shared Prosperity Fund Investment Plan to be submitted by the deadline of 1 August 2022 be approved;**

POLICY COMMITTEE MEETING MINUTES - 11 JULY 2022

- (2) That the submission of an Investment Plan for the Multiply programme as required by Government by the deadline of 30 June 2022 be noted;
- (3) That the submission of Levelling Up Fund bids for Reading for Minster Quarter (including the inclusion of approved low carbon capital investment funds and Brownfield Land Release Fund as match funding) and a package of sustainable transport projects, which were invited by the deadline of 6 July 2022, be noted.

13. DEVELOPMENT OF THE MINSTER QUARTER

Further to Minute 5 of the meeting held on 14 June 2021, the Executive Director of Economic Growth and Neighbourhood Services submitted a report providing an update on the Minster Quarter development project and seeking approval to commence marketing the Project as a development opportunity. A plan showing the site development boundary was attached to the report at Appendix 1.

The report set out the overarching Project Vision, Strategic Objectives and Key Development Principles to which prospective development partners would need to respond. The development partner was expected to bring experience and expertise in mixed-use developments and to maximise regeneration potential including opportunities with other public sector partners and adjoining landowners. The report summarised the Council's concept scheme which illustrated what might be possible on the site:

- Phase 1: Approx. 190 apartments and active ground floor uses. A 90 bed hotel block located on part of the Civic Car park; This phase benefitted from the award of Brownfield Land Release Fund of £2 million to deliver enabling works.
- Phase 2: Approx. 428 apartments together with active ground floor uses.

This would need to be tested by the development partner, and as a part of the procurement process bidding developers would be encouraged to consider the Council's concept scheme in bringing forward their own proposals and phasing plan for the Project. Approval was sought for a series of delegations to allow officers to take the Project to market and to identify a preferred developer before bringing a report setting out the details of a contract award to a future meeting of the Committee.

The report also set out the proposed arrangements regarding Enabling Works and Vacant Possession and the relocation of Lavender Gardens, which included a proposal to lease further community land owned by Council at the Holy Brook, close to Berkeley Avenue and land at Appleford Road. It also summarised the proposed Procurement and Delivery Strategy and Project Governance.

Resolved -

- (1) That the project vision, strategic objectives and key development principles and the priority afforded to those as set out in the report be agreed;

POLICY COMMITTEE MEETING MINUTES - 11 JULY 2022

- (2) That it be noted that updates and progress would be reported to the Civic Board;
- (3) That the Executive Director for Economic Growth and Neighbourhood Services, in consultation with the Chief Financial Officer, the Assistant Directors of Legal and Democratic Services, Procurement and Contracts and Assets and Property Management, and the Leader and the Deputy Leader of the Council, be authorised to:
 - a) finalise procurement arrangements, documentation and negotiations with bidders up to contract award, at which stage a report would be submitted to Policy Committee;
 - b) Agree the terms of and complete acquisitions and disposals of property; at market value or less than market value as necessary to enable the development to proceed;
 - c) Agree terms for obtaining vacant possession of commercial and other non-residential properties affected by the project including the leasing of further RBC land at Holy Brook and Appleford Road to the occupiers of Lavender Gardens;
 - d) Make compulsory purchase orders as necessary for land required for the project;
 - e) Make stopping up orders as necessary to facilitate the development;
 - f) Appropriate existing Council land under the relevant statutory powers as necessary to enable the implementation of the scheme, including appropriation of land for planning purposes and of any third-party land interests necessary for, or affected by, the Project.

14. PROGRESS OF PROJECTS ALLOCATED COMMUNITY INFRASTRUCTURE LEVY 15% LOCAL FUNDS

The Executive Director of Economic Growth and Neighbourhood Services submitted a report providing an update on the 15% of collected Community Infrastructure Levy (CIL) which should be allocated to the local area in which development took place. The following documents were attached to the report:

- Appendix 1: Equality Impact Assessment;
- Appendix 2: Update on 15% local CIL projects allocated funds in November 2018;
- Appendix 3: Update on 15% local CIL projects allocated funds in June 2021.

The report explained that the projects allocated funds in November 2018 had now almost all been completed. One of the exceptions was the High Streets Heritage Action Zone programme, an ongoing four-year project running up to 2024 in which the 15% local CIL

POLICY COMMITTEE MEETING MINUTES - 11 JULY 2022

contribution provided match funding to Historic England funding. The other two projects outstanding were Whitley Wood Community Centre and the reinstatement of two sculptures in the town centre.

The report noted that £0.050m had been allocated towards additional community facilities as part of, or near to, improved health care provision in Whitley Wood. This had originally been identified to be used towards the development of a new church centre and health centre on the St Paul's church hall site on Whitley Wood Lane. Planning permission for this development had been granted subject to the signing of a legal agreement, but the final decision had not yet been issued, and it was likely that the development would not come forward for several years. Policy Committee on 14 June 2021 had therefore agreed that the funds should be identified for the Whitley Wood Community Centre (Minute 7 refers) but subsequently a structural survey had found significant issues with the existing building, and a way forward in terms of permanent provision might take some time. It was therefore considered that the funds should be retained within Whitley Wood and allocated to three projects in the local area already agreed by Policy Committee on 7 March 2022 as follows:

- Improvements to South Whitley Park - an additional £0.020m to make a total allocation of £0.190m;
- Gateway area pedestrian crossings (Imperial Way and Basingstoke Road) - an additional £0.010m to make a total allocation of £0.160m;
- Lulworth Road communal area improvements - an additional £0.020m to make a total allocation of £0.130m.

The report explained that the other outstanding project was the reinstatement of two sculptures in the town centre known as Bagged and Karen, Libbie and Adam which had been allocated £0.020m. These were currently being held by the Council and work had been undertaken with Reading Civic Society to identify suitable locations for their reinstatement. However, after a considerable amount of time, this work has been unable to identify sites, and it was now recommended that the funding be reallocated to the project for war memorials and public art and town centre monuments and statues which provided a broadly similar form of infrastructure within a similar geographical area. This would increase the combined allocation to £0.170m. In particular the intention would be to repair the 'cartwheeling boys' public art located in front of the site of the old Civic Offices.

The report explained that a number of the projects allocated funds in June 2021 had also now been completed, whilst most others were well underway. At this stage, there was not considered to be a need to reallocate any of these funds.

Resolved -

- (1) **That the progress on the projects benefitting from the 15% local CIL allocated by Policy Committee on 26 November 2018 (Minute 49 refers) and 14 June 2021 (Minute 7 refers), as set out in Appendices 2 and 3, be noted;**

POLICY COMMITTEE MEETING MINUTES - 11 JULY 2022

- (2) That the reallocation of £0.050m, originally allocated to additional community facilities at Whitley Wood, towards the following projects allocated funds on 7 March 2022 be agreed:

£0.020m for improvements to South Whitley Park

£0.010m for Gateway area pedestrian crossings (Imperial Way and Basingstoke Road)

£0.020m for Lulworth Road communal area improvements;

- (3) That the reallocation of £0.020m, originally allocated to reinstatement of two sculptures in the town centre, towards the following project allocated funds on 14 June 2021 be agreed:

£0.020m for town centre monuments and statues/war memorials and public art;

- (4) That the relevant officers be authorised to give spend approval in accordance with the funds approved at 2.2 and 2.3 above, and to make any variation to the allocations above in consultation with the Lead Councillors for Planning and Assets and Corporate Services and Resources and the Assistant Director of Finance.

15. CUSTOMER EXCELLENCE PROGRAMME SIX MONTH UPDATE

The Deputy Chief Executive submitted a report giving an update on the progress of the Customer Excellence Programme as part of the Customer Experience Strategy.

The report noted that the Council's Customer Experience Strategy (2020-2024) had been adopted in January 2020. The Strategy set out a vision to achieve the best possible experience for customers and ultimately would facilitate a culture and channel shift, by providing a 24/7 online service, designed around the customer, whilst still providing support to those who needed additional assistance. To achieve this the Programme was focused on building a strong offer for online self-service for the majority of simple transactions. For more complex queries, a multi-skilled central customer fulfilment team, equipped with the tools and information they needed, would look to sign post and resolve queries at first point of contact. Only specialist queries would be transferred out to wider teams in the Council. This model would result in fewer customer "hand offs" between teams and reduce demand into the contact centre, improve the customer journey and allow the realisation of financial benefits.

Resolved -

That the progress against the Customer Experience Strategy be noted and delivery of the future work programme be endorsed.

16. UK RESETTLEMENT SCHEMES - CASE SUPPORT AND INTEGRATION PROVISION 2022-2027

POLICY COMMITTEE MEETING MINUTES - 11 JULY 2022

The Deputy Chief Executive submitted a report proposing that the Council continue to participate in the Government's Refugee Resettlement Schemes and seeking approval to award a contract for case work and integration support. An Equality Impact Assessment was attached to the report at Appendix 1.

The report noted that the Council had been supporting the Government's Resettlement programmes since 2016, initially by committing to offer homes and support to three families a year through the Syrian Vulnerable Persons Resettlement (renamed UK Resettlement Schemes [UKRS]) and, since September 2021, offering homes and support to families resettled through the Afghan Citizens Resettlement Scheme. To date the Council had resettled 10 families/55 individuals through the UKRS and 16 families through the Afghan Citizens Resettlement Scheme. For the UKRS the Council had contracted an expert case support provider to deliver the first 12 months intensive case and integration support that was required by the Home Office; the current provider was Reading Refugee Support Group and the contract ended on 30 November 2022.

The report proposed that the Council reaffirm its commitment to the UK Resettlement Schemes beyond 2021/22, with an offer to resettle an average of 2-3 families/2-3 houses (c.10 individuals) a year, subject to availability of appropriate housing, and that the Council contract an external provider to provide case and integration support to families arriving through Government resettlement schemes for the period 2022-2027. This would include providing intensive support for the first 12 months for those arriving through resettlement schemes, and continuing support at a less intensive level beyond 12 months where families required it.

The report noted that the Homes for Ukraine scheme was not organised as a formal Resettlement Scheme, and that due to the uncertain duration of the scheme and the more general model of support through advice and referrals, it was not proposed to include the Homes for Ukraine support in this procurement.

Resolved -

- (1) That the Council continue to participate in the Government's Refugee Resettlement Schemes with an offer to receive an average of 2-3 families a year from 2022;**
- (2) That the Assistant Director for Corporate Improvement and Customer Services, in consultation with the Leader of the Council, be authorised to award a 5-year contract from 1 December 2022, for provision of case work support and integration support to the value of £42,000 per annum, with a total value of £210,000.**

17. CORONER REMOVALS CONTRACT - DELEGATED AUTHORITY TO SPEND AND AWARD CONTRACT

The Executive Director of Economic Growth and Neighbourhood Services submitted a report to inform the Committee of the ongoing procurement process for the Coroner Removals Contract to be implemented in December 2022 and seeking authority to enter

POLICY COMMITTEE MEETING MINUTES - 11 JULY 2022

into a contract with the most economically advantageous tenderer. A Climate Impact Assessment was attached to the report at Appendix 1.

The report explained that the Council had in place a contract with a funeral director for the removal and transportation of bodies within the county area of Berkshire, which it managed on behalf of HM Senior Coroner Berkshire. The present contract was for three years until 3 June 2022 with an option to extend for a further two years. The contractors had given notice that they would not extend the contract but had agreed to continue to provide the service for a further six months, until 9 December 2022, to allow the Council to undertake a new procurement process. It was proposed to award new contracts for this service from 10 December 2022 for a period of three years with the option of extending the contract subject to performance, with a 12 month notice period. The county area would be divided up into four zones and tenderers could bid for one or more of the zones.

Resolved -

- (1) That the proposed procurement route and process as described in the report be noted;**
- (2) That the Executive Director for Economic Growth and Neighbourhood Services be authorised, in consultation with the Leader of the Council, the Assistant Director of Legal and Democratic Services and the Assistant Director of Finance, to enter into a contract(s) and spend to provide coroner removals with the most economically advantageous tenderer.**

18. 2021/22 QUARTER 4 PERFORMANCE REPORT

The Director of Finance submitted a report setting out the provisional revenue and capital outturn positions for the Council's General Fund and Housing Revenue Account (HRA) for 2021/22 as well as performance against the measures of success published in the Council's Corporate Plan. The following documents were attached to the report:

- Appendix 1 - General Fund Outturn;
- Appendix 2 - Housing Revenue Account (HRA) Outturn;
- Appendix 3 - Capital Programme Outturn;
- Appendix 4 - Savings;
- Appendix 5 - Delivery Fund;
- Appendix 6 - Reserves Position as at 31st March 2022;
- Appendix 7 - Corporate Plan Measures for Quarter 4;
- Appendix 8 - Corporate Plan Measures for Quarter 4 (Charts);
- Appendix 9 - Corporate Plan Projects for Quarter 4;
- Appendix 10 - Debt Write-Offs for approval

The report noted that the budget for 2021/22 had been prepared at the height of the Covid-19 pandemic during a period of extreme uncertainty. It had included £20.208m of savings to be delivered and the planned use of £2.776m of earmarked reserves to deliver a balanced budget position with a total budgeted service expenditure of £124.799m. The

POLICY COMMITTEE MEETING MINUTES - 11 JULY 2022

actual outturn position was positive net variance of £3.177m, inclusive of £1.138m of net transfers from reserves. The outturn position for net service expenditure was £131.132m, inclusive of approved net transfers from reserves of £1.936m, resulting in an adverse net variance of £6.033m. This was an improvement of £1.963m from the projected outturn position reported to the Committee at its meeting on 7 March 2022 (Minute 84 refers). The £6.033m adverse variance included adverse variances of £2.664m within Adult Care and Health Services and of £3.447m within Economic Growth and Neighbourhood Services, which were offset by positive variances of £0.078m on other service budgets. Brighter Futures for Children had delivered within the contract sum. Detailed explanations for these variances were set out in the report. It had previously been agreed that the full overspend on services would be met from a combination of the £4.523m general Covid-19 support grant (contained within Other Corporate Budgets) and £3.844m corporate contingencies. There was no longer a requirement to make the £2.776m call on reserves that was previously approved.

The actual outturn position on Corporate Budgets was a positive net variance of £9.210m, an improvement of £0.940m from the position reported to the Committee at its meeting on 7 March 2022 (Minute 84 refers). This position included £0.798m of approved net transfers to reserves. It had previously been assumed that the positive variance on Corporate Budgets would be required to fund the adverse variance on service expenditure. However, mainly as a result of the adverse variance on service expenditure being lower than anticipated there was now an overall surplus of £3.177m. One carry-forward request totalling £0.050m had been submitted and if approved would leave a remaining surplus of £3.127m, which would be added to earmarked reserves. It was recommended that this balance be transferred to the Capital Financing Smoothing Reserve to fund capital projects that were currently on hold in 2022/23 pending the identification of funding.

The original budget for 2021/22 had included assumed savings of £20.208m, including £5.125m of savings brought forward from the previous year. A total of £14.319m of ongoing savings had been delivered in 2021/22, and £3.844m of savings had been removed as part of the 2022/23 budget setting process on the basis that they were no longer deemed deliverable. This left a residual balance of £2.045m to be carried forward for delivery in future years. This balance would be added to the £8.179m of savings already included in the 2022/23 budget to give a revised savings target of £10.224m. Savings delivery would continue to be monitored and reported on regularly throughout 2022/23.

The report explained that the provisional outturn for the Housing Revenue Account (HRA) was a positive net variance compared to budget of £0.387m which resulted in a net drawdown from HRA reserves of £1.502m, comprised of a drawdown of £1.575m from the main HRA Reserve and a transfer of £0.073m to the North Whitley PFI Reserve. The provisional General Fund Capital Programme outturn was a £46.039m positive variance against the adjusted budget of £94.738m. Approval was sought for an increase to the Renewable Energy scheme 2022/23 budget within the Capital Programme of £0.852m. The provisional HRA Capital Programme outturn was a £7.352m positive variance against the adjusted budget of £28.092m.

POLICY COMMITTEE MEETING MINUTES - 11 JULY 2022

The report also sets out performance against the measures of success published in the Council's Corporate Plan.

Resolved -

- (1) That the Committee note:**
 - a) That the provisional General Fund revenue outturn position for 2021/22 was a £3.177m positive net variance;**
 - b) That the provisional Housing Revenue Account outturn position for 2021/22 was a net £1.502m transfer from HRA Reserves;**
 - c) That the provisional General Fund Capital Programme outturn position for 2021/22 was a £46.039m positive net variance;**
 - d) That the provisional HRA Capital Programme outturn position for 2021/22 was a £7.352m positive net variance;**
 - e) That £14.319m of agreed savings had been delivered in year with £2.045m of non-delivered savings being carried forward into future years;**
 - f) That £2.421m of Capital Receipts had been used to fund transformation in accordance with the Capitalisation Directive (Appendix 5);**
 - g) The performance achieved against the Corporate Plan success measures as set out in Section B of the report and Appendices 7-9.**
- (2) That the service request to roll-forward funds totalling £0.050m into 2022/23 to complete future programmes of work be approved;**
- (3) That the remaining balance of £3.127m be transferred to earmarked reserves as set out in Appendix 6;**
- (4) That the net roll-forwards of budget within the General Fund Capital Programme totalling £39.692m be approved, resulting in a revised Capital Programme net budget of £131.765m for 2022/23;**
- (5) That Spend approval and an increase to the Renewable Energy scheme 2022/23 budget within the Capital Programme of £0.852m, specifically relating to the electric vehicle charging infrastructure at Bennet Road be agreed, to be funded from the Capital Financing Smoothing Reserve as set out in paragraph 7.7 of the report, increasing the Capital Programme net budget to £132.617m;**

POLICY COMMITTEE MEETING MINUTES - 11 JULY 2022

- (6) That the net roll-forwards of budget within the HRA Capital Programme totalling £7.353m be approved, resulting in a revised HRA Capital Programme net budget of £35.555m for 2022/23;
- (7) That the write-off of debts as set out in Appendix 10 be approved relating to:
 - a) Non-Domestic Rates - £553,105.18;
 - b) Sundry Debt - £427,781.19;
 - c) Housing Benefit Overpayments - £50,690.31.

19. EXCLUSION OF THE PRESS AND PUBLIC

Resolved -

That pursuant to Section 100A of the Local Government Act 1972 (as amended), members of the press and public be excluded during consideration of item 20 below as it was likely that there would be a disclosure of exempt information as defined in the relevant paragraphs specified in Part 1 of Schedule 12A to that Act.

20. RTL SHAREHOLDER UPDATE

The Director of Finance submitted a report to the Committee, acting as Shareholder of Reading Transport Limited, which summarised the key points of a Shareholder Update report submitted by Reading Transport Limited (RTL). Attached to the report at Appendix 1 was the Annual Review 2021/22 Shareholder Update Report from RTL. The review covered an operational update, financial performance, pension scheme commitments, dividend proposals, fleet replacement & capital investment and strategic issues. Annexes to the review set out management accounts for Reading Buses, Thames Valley Buses and Newbury & District.

Robert Williams, RTL CEO, and Laurence Jenkins, RTL Finance Director, attended the meeting to present the report and answer questions from the Committee.

Resolved:

- (1) That the report and the Company's performance update attached at Appendix 1 be noted;
- (2) That RTL's provisional management accounts for the year ended 3 April 2022 be noted;
- (3) That, given the uncertain trading conditions, RTL be required to submit an interim shareholder report covering the period to 30 June 2022 for consideration at the meeting of the Committee due to be held on 31 October 2022;

POLICY COMMITTEE MEETING MINUTES - 11 JULY 2022

- (4) That RTL be instructed to respond to the Council's draft tripartite agreement and seek to mitigate the significant risk of the LGPS debt crystallising, thereby protecting the interests of both the Group and the taxpayer.**

(Exempt information as defined in Paragraph 3).

(The meeting started at 6.30 pm and closed at 7.51 pm)